

**Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 20-1302.01 Yelana Love x2295

HOUSE BILL 20-1410

HOUSE SPONSORSHIP

Gonzales-Gutierrez and Exum, Woodrow

SENATE SPONSORSHIP

Gonzales and Zenzinger,

House Committees

State, Veterans, & Military Affairs
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING ASSISTANCE FOR INDIVIDUALS FACING A**
102 **HOUSING-RELATED HARDSHIP DUE TO THE COVID-19**
103 **PANDEMIC, AND, IN CONNECTION THEREWITH, TRANSFERRING**
104 **MONEY RECEIVED FROM THE FEDERAL GOVERNMENT PURSUANT**
105 **TO THE "CARES ACT" TO THE EVICTION LEGAL DEFENSE FUND**
106 **AND THE HOUSING DEVELOPMENT GRANT FUND TO PROVIDE**
107 **SUCH ASSISTANCE.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

From money given to the state in the federal "Coronavirus Aid, Relief, and Economic Security Act", the bill allocates:

- ! \$350,000 to the eviction legal defense fund administered by the state court administrator, for the purpose of providing legal assistance to individuals facing eviction related to the COVID-19 pandemic; and
- ! \$19,650,000 to the housing development grant fund administered by the division of housing in the department of local affairs, for the purpose of providing housing assistance, including rental assistance, mortgage assistance, and guidance on other housing assistance, to households facing financial hardship due to the COVID-19 pandemic.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 hereby finds and declares that:

4 (a) Due to the COVID-19 pandemic that spread to Colorado in
5 February of 2020 and the public health emergency resulting from the
6 pandemic, on March 20, 2020, the governor issued executive order D
7 2020 012, limiting evictions, foreclosures, and public utilities
8 disconnections to Coloradans affected by COVID-19 for thirty days;

9 (b) On March 27, 2020, Congress enacted the "Coronavirus Aid,
10 Relief, and Economic Security Act", Pub.L. 116-136, also referred to as
11 the "CARES Act", to provide emergency assistance to state, local, and
12 tribal governments;

13 (c) The CARES Act established the Coronavirus Relief Fund
14 (CRF) and appropriated \$150 billion to the CRF for distribution, in part,
15 to the states to cover costs that:

16 (I) Are necessary expenditures incurred due to the public health
17 emergency with respect to the COVID-19 pandemic;

18 (II) Were not accounted for in the budget most recently approved

1 as of March 27, 2020, for the state; and

2 (III) Were incurred during the period that begins on March 1,
3 2020, and ends on December 30, 2020;

4 (d) Approximately \$1.674 billion was transferred from the CRF
5 to the Colorado state government to use for necessary expenditures
6 incurred due to the current COVID-19 public health emergency, and in
7 his executive order D 2020 070, dated May 18, 2020, the governor
8 transferred \$70 million of that money to the general fund for
9 disbursement by the general assembly;

10 (e) The federal department of the treasury has issued guidance on
11 states' use of money allocated from the CRF, including the "Coronavirus
12 Relief Fund Frequently Asked Questions" document issued on May 4,
13 2020, and updated on May 28, 2020, in which the department indicated
14 that "a program to assist individuals with payment of overdue rent or
15 mortgage payments to avoid eviction or foreclosure" is an acceptable use
16 of this money;

17 (f) The COVID-19 pandemic has led to extensive job losses
18 throughout the state, where more than 450,000 claims for state and
19 federal unemployment assistance have been filed since March 1, 2020,
20 and many Coloradans have experienced a significant decline in their
21 household incomes;

22 (g) With the extensive job losses and loss of income experienced
23 by many tenants and mortgagors throughout the state, even after the
24 expiration of executive order D 2020 012, there will still be Coloradans
25 who, due to the COVID-19 pandemic and the resulting public health
26 emergency, will require assistance with rent and mortgage payments and
27 individuals in need of legal assistance with respect to eviction actions;

1 and

2 (h) Ensuring that people remain in their homes by paying rent or
3 mortgages will keep more people from becoming homeless and allow
4 those individuals and families to remain in safe environments,
5 maintaining their health and safety from COVID-19.

6 (2) The general assembly declares that distributing a portion of the
7 money that the state receives from the CRF to the housing development
8 grant fund administered by the division of housing in the department of
9 local affairs and to the eviction legal defense fund administered by the
10 state court administrator to assist those entities in paying the costs
11 incurred due to the current COVID-19 public health emergency, including
12 the costs described in subsection (1) of this section, which assistance was
13 not accounted for in the state's budget most recently approved as of
14 March 27, 2020, is an appropriate, necessary, and lawful use of said
15 money.

16 **SECTION 2.** In Colorado Revised Statutes, 13-40-127, **add** (7)
17 as follows:

18 **13-40-127. Eviction legal assistance - fund - rules - report -**
19 **definitions - repeal.** (7) (a) THE STATE TREASURER SHALL TRANSFER
20 THREE HUNDRED FIFTY THOUSAND DOLLARS FROM THE GENERAL FUND TO
21 THE EVICTION LEGAL DEFENSE FUND FOR THE PURPOSE OF PROVIDING
22 LEGAL REPRESENTATION TO INDIGENT TENANTS TO RESOLVE CIVIL LEGAL
23 MATTERS ARISING FROM MARCH 1, 2020, THROUGH DECEMBER 30, 2020,
24 FOR AN EVICTION OR IMPENDING EVICTION RELATED TO THE PUBLIC
25 HEALTH EMERGENCY CAUSED BY THE COVID-19 PANDEMIC. THE MONEY
26 TRANSFERRED TO THE FUND PURSUANT TO THIS SUBSECTION (7)(a) SHALL
27 BE MAINTAINED IN A SEPARATE ACCOUNT AND USED ONLY FOR THE

1 PURPOSES SPECIFIED IN THIS SUBSECTION (7)(a). THE GENERAL ASSEMBLY
2 SHALL APPROPRIATE THE MONEY TRANSFERRED TO THE FUND PURSUANT
3 TO THIS SUBSECTION (7)(a) TO THE ADMINISTRATOR FOR USE IN
4 ACCORDANCE WITH THIS SUBSECTION (7)(a).

5 (b) AS USED IN THIS SUBSECTION (7), "COVID-19" MEANS THE
6 CORONAVIRUS DISEASE 2019 CAUSED BY THE SEVERE ACUTE RESPIRATORY
7 SYNDROME CORONAVIRUS 2, ALSO KNOWN AS SARS-CoV-2.

8 (c) THIS SUBSECTION (7) IS REPEALED, EFFECTIVE SEPTEMBER 1,
9 2021.

10 **SECTION 3.** In Colorado Revised Statutes, 24-32-721, **add** (1.7)
11 as follows:

12 **24-32-721. Colorado affordable housing construction grants**
13 **and loans - housing development grant fund - creation - housing**
14 **assistance for persons with behavioral, mental health, or substance**
15 **use disorders - cash fund - appropriation - report to general assembly**
16 **- definitions - rules - repeal.** (1.7) (a) THE STATE TREASURER SHALL
17 TRANSFER NINETEEN MILLION SIX HUNDRED FIFTY THOUSAND DOLLARS
18 FROM THE GENERAL FUND TO THE HOUSING DEVELOPMENT GRANT FUND
19 FOR THE PURPOSE OF PROVIDING HOUSING ASSISTANCE AS SPECIFIED IN
20 THIS SUBSECTION (1.7). MONEY TRANSFERRED PURSUANT TO THIS
21 SUBSECTION (1.7)(a) SHALL BE MAINTAINED IN A SEPARATE ACCOUNT.

22 (b) THE GENERAL ASSEMBLY SHALL APPROPRIATE THE MONEY
23 TRANSFERRED TO THE FUND PURSUANT TO THIS SUBSECTION (1.7) TO THE
24 DIVISION FOR USE IN PROVIDING INDIVIDUALS AND HOUSEHOLDS WHO, ON
25 OR AFTER MARCH 1, 2020, HAVE EXPERIENCED FINANCIAL NEED DUE TO
26 THE COVID-19 PANDEMIC OR SECOND-ORDER EFFECTS OF THE COVID-19
27 PANDEMIC, WITH RENTAL ASSISTANCE, RESIDENTIAL MORTGAGE

1 ASSISTANCE, AND GUIDANCE ON HOW TO ACCESS ADDITIONAL HOUSING
2 SERVICES. THE DIVISION MUST USE THE MONEY BY DECEMBER 30, 2020,
3 FOR THE PURPOSES SPECIFIED IN THIS SUBSECTION (1.7).

4 (c) (I) IN DETERMINING HOW TO DISTRIBUTE THE RENTAL
5 ASSISTANCE UNDER THIS SUBSECTION (1.7), THE DIVISION SHALL
6 PRIORITIZE:

7 (A) HOMELESS FAMILIES WITH DEPENDENTS OR OTHER CHILDREN
8 ENROLLED IN PRESCHOOL, ELEMENTARY, OR SECONDARY SCHOOLS;

9 (B) MEDICAID CLIENTS IN NURSING HOMES WHO ARE ABLE TO LIVE
10 IN THEIR COMMUNITIES WITH IN-HOME SERVICES;

11 (C) FAMILY UNIFICATION AND RELATED SERVICES;

12 (D) HOMELESS OR DISABLED VETERANS;

13 (E) LOW-INCOME HOUSEHOLDS WITH AN INCOME AT OR BELOW
14 ONE HUNDRED PERCENT OF THE AREA MEDIAN INCOME;

15 (F) SURVIVORS OF DOMESTIC VIOLENCE;

16 (G) PEOPLE EXPERIENCING HOMELESSNESS WHO ARE AT A HIGHER
17 RISK OF CONTRACTING COVID-19 ACCORDING TO THE FEDERAL CENTERS
18 FOR DISEASE CONTROL; AND

19 (H) ENTITIES THAT PROVIDE DIRECT SERVICES TO YOUTH
20 EXPERIENCING OR AT RISK OF EXPERIENCING HOMELESSNESS.

21 (II) (A) IN ACCORDANCE WITH POLICIES AND PROCEDURES
22 ESTABLISHED BY THE DIVISION, A LANDLORD MAY SEEK RENTAL
23 ASSISTANCE PURSUANT TO THIS SUBSECTION (1.7) ON BEHALF OF THE
24 LANDLORD'S TENANTS WHO HAVE EXPERIENCED FINANCIAL NEED ON OR
25 AFTER MARCH 1, 2020, DUE TO THE COVID-19 PANDEMIC OR
26 SECOND-ORDER EFFECTS OF THE COVID-19 PANDEMIC. THIS SUBSECTION
27 (1.7) DOES NOT AUTHORIZE A LANDLORD TO OBTAIN INFORMATION ABOUT

1 A TENANT THAT VIOLATES THE TENANT'S RIGHT TO PRIVACY OR ANY
2 OTHER LAW.

3 (B) IN ACCEPTING RENTAL ASSISTANCE ON BEHALF OF A TENANT
4 IN ACCORDANCE WITH THIS SUBSECTION (1.7)(c)(II), THE LANDLORD IS
5 PROHIBITED FROM COMMENCING EVICTION PROCEEDINGS AGAINST A
6 TENANT FOR WHOM THE ASSISTANCE WAS PROVIDED FOR THE MONTH FOR
7 WHICH THE ASSISTANCE WAS PROVIDED.

8 (C) A LANDLORD RECEIVING RENTAL ASSISTANCE ON BEHALF OF
9 A TENANT IN ACCORDANCE WITH THIS SUBSECTION (1.7)(c)(II) SHALL
10 PROVIDE THE TENANT WITH A RECEIPT ACKNOWLEDGING THE PAYMENT OF
11 RENT AS REQUIRED BY SECTION 38-12-802.

12 (d) IN DETERMINING HOW TO PRIORITIZE THE RESIDENTIAL
13 MORTGAGE ASSISTANCE UNDER THIS SUBSECTION (1.7), THE DIVISION
14 SHALL PRIORITIZE HOUSEHOLDS WITH AN INCOME AT OR BELOW ONE
15 HUNDRED PERCENT OF THE AREA MEDIAN INCOME.

16 (e) THE DIVISION MAY PROMULGATE RULES NECESSARY TO
17 IMPLEMENT THIS SUBSECTION (1.7).

18 (f) AN ASSOCIATION OR ORGANIZATION THAT RECEIVES
19 ASSISTANCE PURSUANT TO THIS SUBSECTION (1.7) IS NOT REQUIRED TO
20 INDEPENDENTLY VERIFY THE TENANT'S OR BORROWER'S FINANCIAL NEED
21 IF THE TENANT OR BORROWER OR LANDLORD ATTESTS THAT THE TENANT
22 OR BORROWER, AS APPROPRIATE, HAS EXPERIENCED AN ADVERSE
23 FINANCIAL IMPACT DUE TO THE COVID-19 PANDEMIC OR SECOND-ORDER
24 EFFECTS OF THE COVID-19 PANDEMIC.

25 (g) HOUSING ASSISTANCE PROVIDED UNDER THIS SUBSECTION (1.7)
26 IS SHORT-TERM, NONCASH, IN-KIND EMERGENCY DISASTER RELIEF.

27 (h) THE DIVISION SHALL NOT PROVIDE ASSISTANCE UNDER THIS

1 SUBSECTION (1.7) FOR THE PURPOSE OF HOUSING DEVELOPMENT.

2 (i) DURING THE SECOND REGULAR SESSION OF THE SEVENTY-THIRD
3 GENERAL ASSEMBLY, THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF
4 LOCAL AFFAIRS SHALL REPORT TO THE SENATE COMMITTEE ON LOCAL
5 GOVERNMENT AND THE HOUSE OF REPRESENTATIVES COMMITTEE ON
6 TRANSPORTATION AND LOCAL GOVERNMENT, OR ANY SUCCESSOR
7 COMMITTEES, UNDER THE "STATE MEASUREMENT FOR ACCOUNTABLE,
8 RESPONSIVE, AND TRANSPARENT (SMART) GOVERNMENT ACT", PART 2
9 OF ARTICLE 7 OF TITLE 2, ON:

10 (I) EACH ASSOCIATION OR ORGANIZATION THAT RECEIVED
11 ASSISTANCE UNDER THIS SUBSECTION (1.7), INCLUDING THE NAME OF EACH
12 ASSOCIATION OR ORGANIZATION, THE AMOUNT OF ASSISTANCE EACH
13 ASSOCIATION OR ORGANIZATION RECEIVED, AND THE LOCATION OF THE
14 ASSOCIATION OR ORGANIZATION;

15 (II) THE NUMBER OF INDIVIDUALS WHO RECEIVED RENTAL
16 ASSISTANCE UNDER THIS SUBSECTION (1.7);

17 (III) THE NUMBER OF INDIVIDUALS WHO RECEIVED RESIDENTIAL
18 MORTGAGE ASSISTANCE UNDER THIS SUBSECTION (1.7); AND

19 (IV) TO THE EXTENT POSSIBLE, THE PERCENTAGE OF MONEY
20 DISTRIBUTED BASED ON EACH OF THE FOLLOWING PURPOSES:

21 (A) RENTAL ASSISTANCE;

22 (B) RESIDENTIAL MORTGAGE ASSISTANCE; AND

23 (C) GUIDANCE ON HOW TO ACCESS ADDITIONAL HOUSING
24 SERVICES.

25 (j) AS USED IN THIS SUBSECTION (1.7), "COVID-19" MEANS THE
26 CORONAVIRUS DISEASE 2019 CAUSED BY THE SEVERE ACUTE RESPIRATORY
27 SYNDROME CORONAVIRUS 2, ALSO KNOWN AS SARS-CoV-2.

1 (k) THIS SUBSECTION (1.7) IS REPEALED, EFFECTIVE SEPTEMBER 1,
2 2022.

3 **SECTION 4. Safety clause.** The general assembly hereby finds,
4 determines, and declares that this act is necessary for the immediate
5 preservation of the public peace, health, or safety.